

State of Utah

Department of Natural Resources

ROBERT L. MORGAN Executive Director

Division of Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

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Lieutenant Governor

March 31, 2004

CERTIFIED RETURN RECEIPT 7099 3400 0016 8896 1881

Bryce Haas B & H Stone Supply 331 East 200 South Lindon, Utah 84042

Subject: Division Directive and Withdrawal of Tentative Approval to

Amend Large Mining Operations, Bryce Haas, B & C Limestone

Mine, M/039/013, Sanpete County, Utah

Dear Mr. Haas:

On May 1, 2003, the Division sent you a certified letter granting tentative approval of your large mining operations at the B & C Limestone Mine. That letter was also faxed to you at that time. The certified letter was returned to us sometime later as unclaimed. Accordingly, we called your office and then faxed another copy of this letter to you on September 23, 2003 (copy attached).

The tentative approval required you to post an additional \$32,400 reclamation surety to supplement the \$34,000 transitional surety and to revise the Reclamation Contract within 60 days. The letter advised you that a failure to post adequate bond to complete the permitting process may result in the withdrawal of our tentative approval decision. An order could also follow requiring immediate cessation of mining activities and commencement of reclamation.

Several months have passed beyond the established deadline, and you have failed to provide any written response. We have not received the revised Reclamation Contract, or the increased surety amount. Therefore, in



Bryce Haas Page 2 of 2 M/039/013 March 31, 2004

accordance with the provision of Title 40-8-16(3), the Division hereby advises you of its intention to withdraw its tentative approval for the B&C Limestone Mine. You are hereby advised of your right to request a hearing before the Board of Oil, Gas and Mining concerning this matter. You are also directed to suspend all mining related activities and to contact our office immediately to schedule a meeting to resolve this outstanding permitting requirement. To schedule a meeting with the Associate Director of Mining and minerals program staff, please call Vickie Southwick at (801) 538-5304.

Thank you for your immediate attention to this matter.

Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program

DWH:LK:jb

Attachment: May 1, 2003 Tentative Approval Letter

cc: John Blake, SITLA w/attachment

O:\M039-Sanpete\m0390013-b&climestone\final\withdrawtent-03312004.doc



State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
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May 1, 2003

CERTIFIED RETURN RECEIPT 7099 3400 0016 8896 2291

Bryce Haas B & H Stone Supply 331 East 200 South Lindon, Utah 84042

Re:

<u>Tentative Approval to Amend Large Mining Operations, Bryce Haas, B & C Limestone Mine, M/039/013, Sanpete County, Utah</u>

Dear Mr. Haas:

The Division has completed a review of your latest response, received April 3, 2003. This now completes the information that the Division requires to approve your amendment submitted December 19, 2001, and to finalize approval of your Large Mining Operation Notice of Intention. However, before the Division can issue final approval, the appropriate reclamation surety must be provided.

As part of the review of your permit amendment, the Division has recalculated the amount of reclamation surety required for the B & C Limestone Mine, M/039/013 (cost estimate attached). The new surety requirement is \$68,400.00, calculated in year 2008 dollars. You are hereby requested to increase the current \$36,000.00 surety for this operation by \$32,400.00. This can be done by providing a rider to the existing surety, posting a different form of surety for the balance, or by providing a new surety for the full \$68,400.00. You will also need to revise the reclamation contract to reflect the change in the amount (and form, if changed) of surety. A reclamation contract is enclosed for this purpose.

Please provide this increased surety and revised reclamation contract within 60 days from receipt of this letter. Failure to do so may result in the Division withdrawing its tentative approval and ordering immediate reclamation of the site. Please contact Joelle Burns at (801) 538-5291 for the appropriate surety forms if you provide anything other than a rider.



RECLAMATION SURETY ESTIMATE B & H Limestone

B & C Limestone Quarry DOGM file Number M/039/013 last revision

04/25/03 page "estimate D8"

filename M039-013.xls Sanpete County

Prepared by Utah State Division of Oil, Gas & Mining

- -Highwalls will not exist onsite nor are planned for future operations.
- -After limestone is removed and hole develop, overburden will be backfilled into that area.
- -Reclamation of the site will be conducted on a concurrent basis with topsoil & fine replaced almost immediately.
 -Topsoil stockpiles will not develop because the material will be used on disturbed areas as mining progresses.

| Note: actual unit costs may vary according to site conditions last unit cost update 10/07/02 | | | | | |
|--|------------------|--------------|-------------|-----------|------|
| -Amount of disturbed area which will receive reclamation treatments = | | | 23.25 acres | |] |
| Estimated total disturbed area for this mine = | | | 23.25 acres | | |
| Activity | Quantity | <u>Units</u> | \$/unit | <u>\$</u> | Note |
| Safety gates, signs, etc (mtls & installation) | 1 | Sum | 200 | 200 | (1) |
| ell Plugging | 1 | lump sum | 2500 | 2500 | ŀ |
| Debris of buildings and facilities | 1 | lump sum | 2500 | 2500 | (2) |
| Debris and equipment removal - trucking | 60 | ton | 50 | 3000 | (3) |
| Debris and equipment removal - w/ FE loader | 6 | hours | 166 | 996 | |
| Demolition and debris removal - general labor | 10 | hour | 15 | 150 | (6) |
| Regrading waste dump slopes | 18000 | CY | 0.5 | 9000 | (8) |
| Ripping stockpile & compacted areeas | 23.25 | acre | 246 | 5720 | (9) |
| Copsoil replacement - dozer (6" soil to be replaced) | 18750 | CY | 0.5 | 9375 | (12) |
| Composted manure (10 tons/acre) | 23.25 | acre | 300 | 6975 | (00) |
| Broadcast seeding | 23.25 | acre | 240 | 5580 | (00) |
| General site cleanup & trash removal | 12 | acre | 50 | 600 | (00) |
| Equipment mobilization | 1 | equip | 2000 | 2000 | (00) |
| Reclamation supervision -10% of reclamation estimate | | | | 5350 | (15) |
| | | Subtotal | | 53946 | |
| 0% Contingency | | | | 5395 | |
| | | Subtotal | - | 59340 | |
| scalate for 5 years at 2.89% per year | | | | 9085 | |
| | | Total | | 68425 | |
| | rety amount in y | ear 2008 \$ | | 68400 | |
| Average cost per disturber acre = | 2943 | | | | |

| Note | last unit cost update 10/07/02 |
|------|---|
| (1) | DOGM lump sum assumed |
| (2) | Means Heavy Construction Cost Data 2002, 02220-100-0100, mix of bldg. types, avg., excluding dump fees |
| (3) | Means 2002, 02225-730-5100, bldg demo, rubbish handling, \$0.53/CY permile for >8CY truck; assumed 100 miles round trip |
| (6) | DOGM assumed wage for unskilled general labor |
| (8) | Means 2002 & Blue Book 3Q/02: Cat D8R, U, mtl 2550 lb/CY, 100 ft push |
| (9) | Means 2002 & Blue Book 3Q/02: Cat D8R, U, multi shank rippers, speed 1.0 mph |
| (10) | Means 2002 & Blue Book 3Q/02: Cat D8R, U, mtl 2550 lb/CY, 50 ft push, used avg vol 0.5CY/LF-berm |
| (9) | Means 2002 & Blue Book 3Q/02: Cat D8R, U, multi shank rippers, speed 1.0 mph |
| (9) | Means 2002 & Blue Book 3Q/02: Cat D8R, U, mtl 2550 lb/CY, 50 ft push, 1 ft depth |
| (12) | Means 2002 & Blue Book 3Q/02: Cat D8R, U, mtl 2550 lb/CY, 100 ft push |
| (00) | DOGM estimate - manure \$16/ ton delivered - \$14/ton/acre spreading |
| (00) | DOGM general estimate - broadcast seeding |
| (00) | DOGM general estimate - site cleanup & trash removal |
| (00) | DOGM general estimate - equipment mobilization |
| (15) | Dogm estimate - 10% of reclamation surety estimate |